8526286/2024/VIG-II-AGC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Public Service – Agricultural Marketing Department – Departmental Proceedings against Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram under Rule 172 of A.P.(AP&LS) Markets Rules, 1969 – Article of Charges – Issued.

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AGRICULTURE & COOPERATION (VIG.II) DEPARTMENT

G.O.Rt.No.126 **Dated:08.02.2024**

Read:-

E-file No.ACG05-16021/53/2023-DISCPLR SEC-MRKT (Computer No.2151504) dated:18.10.2023 & 17.01.2024 received from the C&DoAM, A.P., Guntur.

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O R D E R:

It is proposed to hold an inquiry against Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram in accordance with the procedure laid down under Rule 172 of A.P.(AP&LS) Markets Rules, 1969.

2. The substance of the imputations of misconduct or misbehavior in respect of which the inquiry is proposed to be held is set out in the enclosed statement of Article of Charges (Annexure – I & II). A list of documents by which and a list of witnesses by whom the article of charges is proposed to be sustained are also enclosed (Annexure –III & IV).

3. Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram is directed to submit his written statement of defence within 10 days on receipt of this order.

4. Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram is further informed that an inquiry will be held only in respect of those article of charges that are not admitted. He should, therefore, specifically admit or deny the article of charges.

5. Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram is further informed that if he does not submit his written statement of defence on or before the date specified in Para 3 above, further action will be proceeded based on the material available.

6. The attention of Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram is invited to Rule 24 of the A.P.C.S.(Conduct) Rules, 1964, under which no Government servant shall bring or attempt to bring any political or outside influence to hear upon any superior authority to further his interest in respect of matters pertaining to his service under the Government. If any representation is received on his behalf from another person in respect of any matter dealt within these

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proceedings it will be presumed that Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram is aware of such representation and that it has been made at his instance and action will be taken against him for violation of Rule 24 of the A.P.C.S (Conduct) Rules, 1964.

7. The receipt of this order shall be acknowledged.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PARDESH)

CHIRANJIV CHOUDHARY, IFS,
PRINCIPAL SECRETARY TO GOVERNMENT

To
Sri S. Chinni Krishna,
The then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram.
(Through : The Commissioner & Director of Agricultural Marketing,
A.P., Guntur)
Copy to:-
The Commissioner & Director of Agricultural Marketing,
A.P., Guntur.
SF/SC.

// FORWARDED::BY ORDER //

SECTION OFFICER

ANNEXURE-I

STATEMENT OF ARTICLE OF CHARGES FRAMED AGAINST SRI S. CHINNI KRISHNA, THE THEN SECRETARY GRADE-III, AGRICULTURAL MARKET COMMITTEE, ETCHERLA AND SECRETARY GRADE-II (UNDER SUSPENSION), AGRICULTURAL MARKET COMMITTEE, ITCHAPURAM

Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and presently Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram was misappropriated an amount of Rs.1,75,68,428/- pertains to Agricultural Market Committee, Etcherla Funds while he was working as Secretary, Agricultural Market Committee, Etcherla as he was wilfully used two cheque books at a time during the year 2020-21 to 2022-23 for a single current account bearing No. 33056881669 which is against the rules in force.

And he was misappropriated through transfer the amount to his personal account and authorize the staff of Agricultural Market Committee and private persons for self drawl of the amounts and transfer of amounts to the bank accounts of other persons which is against the A.P.(AP&LS) Markets Act, 1966 and Financial Rules. The details are as follows:

S. No.	Misappropriated by the way of	Amount in Rs.
1.	Check Post Collection:- Market Fee collected at check post Chilakapalem and Trader Market Fee. Not remitted to AMC Etcherla Funds	10,63,559
2.	Market Fee received from Trader Suguna Foods PrivateLimited - Not remitted to PD Account.	2,63,808
3.	Market Fee from APSCSCL (Civil Supplies) – Not remitted to the AMC Funds.	35,00,000
4.	Misappropriated by way of diversion to S.B. account of Sri K. Rama Rao and Sri M. Vallabharao	11,04,400
5.	25% Central Market Fund diverted	44,49,886
6	Pension Contribution drawn and not remitted	10,25,199
7.	Repayment of loan to AMC, Ichapuram – Drawn from AMC Etcherla funds – Not remitted to AMC Ichapuram Funds (64,99,956 - 41,39,956)	23,60,000
8.	Drawn towards e-farmarketing revolving fund and others – Diverted to personal account	7,00,186
9.	Expenditure incurred by cash withdrawals / transfer to different account.	31,01,390
	Total:	1,75,68,428/-

ARTICLE OF CHARGE - I

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully committed misappropriated an amount of Rs.10,63,559/-. Out of which an amount of Rs.61,10,118/- pertains to Market Fee from Chilakapalem Check post during the year 2020-21 by issuing cheques bearing No. 303730, 303731 for Rs.6,42,260/- & Rs.4,21,299/- respectively and he has simply generated CFMS Challan IDs 40063232572020 & 40063282772020 for remittance of total amount of Rs.10,63,559/- to the AMC Etcherla Funds and written the cash book with that IDs, but the same amount was not remitted to AMC Etcherla Funds.

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Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

ARTICLE OF CHARGE - II

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully not remitted the Market Fee for an amount of Rs.2,63,808/- to the AMC Etcherla Funds, which was received to the office current account bearing No. 33056881669 of the AMC Etcherla from Trader Suguna Foods Private Limited and transferred to his Account bearing No. 31250506509 on 16.10.2020.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

ARTICLE OF CHARGE - III

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has intentionally misappropriated an amount of Rs.35,00,000/-. Out of which an amount of Rs.87,61,908/- towards market fee received from APSCSCL during the year 2020-21 & 2022-23.

With regard to the above said misappropriated amount of Rs.35,00,000/-, he has wilfully diverted an amount of Rs.30,00,000/- (Rs.15,00,000/- + Rs.15,00,000/-) to his personal account bearing No. 31250506509 and also diverted an amount of Rs.5,00,000/- to the account Number No.20212439787 of Sri K. Rama Rao, Supervisor of the AMC Etcherla.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

ARTICLE OF CHARGE - IV

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully misappropriated and diverted the AMC Etcherla Funds for an amount of Rs.11,04,400/- through current account No. 33056881669. In which, he has transferred Rs.10,00,000/- to Sri K. Ramarao on 07.05.2021 and an amount of Rs.1,04,400/- was transferred to Sri M. Vallabha Rao who is working in the AMC Itchapuram on outsourcing basis vide CFMS bill No. 2023-916939 on 03.07.2023.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

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ARTICLE OF CHARGE - V

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully transferred 25% CMF contribution to Current Account and then diverted to his personal account.

And Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram while working as Secretary, AMC, Etcherla, he has wilfully transferred the amount of Rs.19,02,100/- to his personal account No. 31250506509 in two spells i.e., Rs.50,000/- on 10.12.2021 & Rs.18,52,100/- on 20.12.2021.

And also Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram while working as Secretary, AMC, Etcherla, he has wilfully transferred the amount of Rs.25,40,000/- to his personal account bearing No.31250506509 on 14.09.2022.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

ARTICLE OF CHARGE - VI

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully diverted the pension contribution of an amount of Rs.10,25,199/- (Rs.5,99,873/- + Rs.4,25,326/).

And Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (U/s), Agricultural Market Committee, Itchapuram has wilfully diverted the pension contribution amount to the following individual accounts.

S.No.	Name of the account holder	30/11/2020	01/03/2021	07/05/2021	Total (in Rs.)
1.	Sri S. Chinni krishna	599873	63839	250000	**913712**
2.	Sri K. Rama Rao	0	76890	0	**76890**
3.	Sri Murali Krishna	0	54947	0	**54947**
	TOTAL:	**599873**	**195676**	**250000**	**10,45,549**

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

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ARTICLE OF CHARGE – VII

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully committed misappropriated an amount of Rs. 23,57,471/-. Out of which an amount Rs.64,99,956/- towards repayment of loan to the AMC Itchapuram which was drawn from the AMC Etcherla Funds and not remitted to AMC Itchapuram Funds. The details of the above misappropriated amount are as follows:-

i. As per the existing procedure, repayment of loans from one AMC to another AMC should be done by PD account to PD account by transfer (PD account Book adjustment). The other way, AMC, Etcherla has option to repay the loan amount directly by challan. But the Secretary (U/s), Sri S.Chinni Krishna wilfully transferred the amount of Rs.64,99,956/- from AMC Etcherla PD account to AMC current account of Itchapuram without remitting to AMC funds. Hence, he misappropriated the funds of Rs.64,99,956/- as detailed below:

ii. An amount of Rs.23,60,000/- was drawn from the AMC funds towards repayment of loan payable to the AMC Itchapuram. By adding the staff salaries & other expenditures, he has drawn Rs.26,39,697/- vide CFMS Bill No.2021-1347397 on 02/09/2021. From this Bill, an amount of Rs.24,87,307/- was adjusted in the CFMS account No. 35097546479 on 03.09.2021 and the same amount transferred to the office current account bearing No.33056881669 on 03.09.2021. In which, Demand Draft for Rs.23,60,000/- was taken from office current account on 04/09/2021 & again cancelled the Demand Draft on 07/09/2021, the amount of cancelled Demand Draft was credited into office current account of the AMC Etcherla and misappropriated as detailed below. The copies of the letters which were addressed to the SBI, cancellation of Demand Draft, the copy of the cheque bearing No.641231 dated.03.08.2021 for Rs.23,60,000/-, and the copies of the cancelled Demand Draft and counterfoil bearing No.129237 dated.04.09.2021 for Rs.23,60,000/- and the credit voucher for Rs.23,60,000/- for depositing cancelled Demand Draft to current account No. 33056881669 dated.07.09.2021.

iii. (a) On 07.09.2021, the Secretary (U/s), Sri S.Chinni krishna has transferred the amount of Rs.5,70,000/- to the account No.11639460213 of Smt. K. Laxmi, AMC, Pensioner from AMC, Etcherla current account through cheque No.641237.

(b) Another amount of Rs.6,00,000/- transferred to his personal account bearing No.31250506509 on 08/09/2021 through Cheque No.641238 and

(c) Again transferred an amount of Rs.74,971/- to his personal account on 15/09/2021. Further, he made payment of Rs.50,000/- to the account of CBDT and details connecting to the payment not made available.

(d) Sri S.Chinni Krishna, Secretary (U/s), AMC, Etcherla has diverted an amount of Rs.10,62,500/- for clearing his personal outstanding dues HBA and Car Advance which was taken from AMC, Palasa duly issuing AMC, Etcherla cheque No.641239 dated:14.09.2021 for Rs.10,62,500/- taken Demand Draft in favour of Secretary, AMC, Palasa and the same was remitted to AMC, Palasa funds vide challan No. 51201744312021dated.20.09.2021 for Rs.10,62,500/-.

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Para No.	Date	Person Name	Designation	Transfer/ cash	Amount in Rs.
11(iii)(a)	07.09.2021	Smt K. Lakshmi	AMC, Pensioner	transfer	5,70,000/-
11(iii)(b)	08.09.2021	S.Chinni Krishna	Secretary	transfer	6,00,000/-
	15.09.2021	S.Chinni Krishna	Secretary	Transfer	74,971/-
	20.09.2021	Made payment to CBDT A/c		Transfer	50,000/-
11(iii)(c)	14.09.2021	S.Chinni Krishna diverted and Credited for repayment of his personal loan recoveries HBA and MCA.		transfer	10,62,500/-
Total:					**23,57,471/-**

An amount of Rs.64,99,956/- was drawn from the AMC, Etcherla funds towards repayment of loan payable to AMC, Ichapuram and the same was not remitted to the AMC Ichapuram funds by Sri S. Chinni Krishna, Secretary duly misappropriating the AMC, Etcherla funds.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules,1969".

ARTICLE OF CHARGE – VIII

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully misappropriated an amount of Rs.7,00,186/- towards e-Farmarketing revolving fund & others and diverted to his personal account bearing No. 31250506509. The details of the above misappropriated amount are as follows:

An amount of Rs.7,00,186/- was drawn towards e-farmarketing revolving fund vide CFMS Bill No.2022-1745043, dated:09.11.2022, adjusted in CFMS account on 11.11.2022. An amount of Rs.7,00,000/- was transferred to Agricultural Market Committee, Etcherla current account on 16.11.2022. In which, the then Secretary, Sri S. Chinni Krishna has transferred the amount of Rs.5,00,000/- to his personal account No.31250506509 through Cheque No. 887277 on dated.16.11.2022 and issued cash Cheque No. 887278 dated.16.11.2022 for Rs.2,00,000/- to G. Umamaheswara Rao, Security Guard of AMC, Etcherla and cashed on 16.11.2022.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

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ARTICLE OF CHARGE – IX

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully misappropriated an amount Rs.31,01,390/- towards expenditure incurred by cash withdrawals / transfer to different accounts which was drawn from committee funds in the different CFMS bills, and then transferred to office current account. He has transferred the different amounts to different accounts including personal account, cash withdrawals.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964 and also violated the Rule 31 of A.P.(AP&LS) Markets Rules, 1969".

ARTICLE OF CHARGE – X

"That Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram has wilfully not obtained pre-approval of the Chairman in note files as well as final approval of the Market Committee. He has not taken the ratification of expenditure of the Committee. He has not maintained the meeting minutes etc. properly.

Further, he has intentionally done the most of the entries and totals with pencil. The main cash book not reconciled with the CFMS pdf statement. More variations identified between main cash book to CFMS pdf statement. Vouchers are not maintained properly and most of the related vouchers are not submitted for verification and vendor codes not mentioned on contingent bills by vouchers. Huge amounts transferred to AMC, Etcherla Zero balance account and funds diverted to different personal accounts while he was working as Secretary, AMC, Etchrela.

And Sri S. Chinni Krishna, the then Secretary Grade-III, Agricultural Market Committee, Etcherla and Secretary Grade-II (Under suspension), Agricultural Market Committee, Itchapuram intentionally not maintained Office Cash books and Cheque book, abstract registers and all other financial related files and registers properly. Even though there is sufficient regular staff in AMCs, but he has not entrusted or created the duty as Maker and Checker and he has wilfully hold the all the functions of Maker, Checker and Approver and presentation of expenditure bills in CFMS portal at AMCs Etcheral and Itchapuram.

Thus, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of APCS (Conduct) Rules, 1964, violated the rule 31, 97, 98, 99 & 100 of A.P.(AP&LS) Markets Rules, 1969".

CHIRANJIV CHOUDHARY, IFS,
PRINCIPAL SECRETARY TO GOVERNMENT

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ANNEXURE - II

STATEMENT OF IMPUTATIONS OF MISCONDUCT OR MISBEHAVIOUR IN SUPPORT OF ARTICLE OF CHARGES FRAMED AGAINST SRI S. CHINNI KRISHNA, THE THEN SECRETARY GRADE-III, AGRICULTURAL MARKET COMMITTEE, ETCHERLA AND SECRETARY GRADE-II (UNDER SUSPENSION), AGRICULTURAL MARKET COMMITTEE, ITCHAPURAM ARE PROPOSED TO BE SUSTAINED.

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As per instructions of Commissioner and Director of Agricultural Marketing, A.P. as well as Government, the Regional Joint Director of Marketing, Visakhapatnam has constituted teams for verification of records at AMC, Etcherla and the Verification Team submitted the report through RJDM, Visakhapatnam to the Commissioner & Director of Agricultural Marketing, AP, Guntur. The team members have verified the Cash books, current account Pass Books, Bank statements and available records and arrived the misappropriated amount of Rs.1,75,68,428/- at Agricultural Market Committee, Etcherla.

As per report of Regional Deputy Director of Marketing, Visakhapatnam, instructions issued vide Memo No.AGC05-16021/53/2023 dated:18/08/23 of the Commissioner & Director of Agricultural Marketing, A.P., Guntur and Memo No.102/A/2023 dated:22/08/2023 of the Regional Joint Director of Marketing, Visakhapatnam, the following team constituted for verification of records regarding the misappropriation of AMC, Etcherla funds by S. Chinni Krishna, Secretary Grade-III (U/s), AMC, Etcherla.

1. Sri S.Erranna, DDM, Visakhapatnam (Team Leader)
2. Sri P.Vasudeva Rao, Selection Grade Secretary, AMC, Ramachandrapuram
3. Sri V.V.B.A. Ganapathi, Senior Assistant, AMC, Anakapalli
4. Sri N.Govinda Rao, Supervisor, AMC, Etcherla.

The team members have proceeded to AMC, Etcherla and verified the records available in the office from the year 2018-19 to till to date from 23.08.2023 to 27.09.2023. After verification of records of the AMC Etcherla, the following findings and misappropriations have been identified.

1. Grade of the AMC Etcherla: Secretary Grade-III
2. Sri S.Chinni Krishna working period at AMC Etcherla :

Name of the Secretary	From	To
S.Chinni Krishna (Regular)	02.11.2018	01.11.2021
S.Chinni Krishna (FAC)	02.11.2021	01.02.2022
S.Chinni Krishna (FAC)	05.08.2022	11.07.2023

3. Records verified:

Office Cash Books, Receipt ledgers, Cheque abstract Register, Challans, Meeting Minutes, Bank statements, CFMS Bills, Provident fund individual registers available are verified.

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On verification of the records, registers and cash books etc., the following have been identified in item wise.

4. Observations & Findings:

No above records have maintained properly like month-wise OB, CBs not mentioned in the main cashbook and provident fund register. Most of the entries and totals have done with pencil and not updated with the pen for all the amounts. The main cashbook not reconciled with the CFMS pdf statement. More variations have identified between main cashbook to CFMS pdf statement. Vouchers have not maintained properly, and most of the related vouchers have not submitted for verification and vendor codes have not mentioned on contingent bills/vouchers. Huge amounts have transferred to AMC Zero balance account and funds diverted to different personal accounts. During verification, it is found that the AMC, Etcherla, operating day to day transaction through different bank accounts as detailed below:

S.No.	Description	A/c.No.	Branch
1.	AMC Current account	33056881669	SBI,Ranastalam
2.	CFMS Current account	35097546479	SBI, Ranastalam
3.	CPS SB account	33135406209	SBI, Ranastalam
4.	Staff PF SB account	33059199853	SBI, Ranastalam

Further, it is identified that most of the amounts transferred/diverted from the first two current accounts.

Sri S.Chinni Krishna, Secretary(U/s), AMC, Etcherla has used two cheque books at a time during 2020-21 to 2022-23 for a single current account bearing No. 33056881669 which is against the rules in force.

The total amount of Rs. 1,75,68,428/- is arrived under misappropriation, committed by Sri S. Chinnikrishna, Secretary (Under suspension), AMC Etcherla as mentioned below:

Head-wise misappropriation of AMC Funds

S. No.	Misappropriated head	Receipt/ Expenditure	Amount in Rs.
1	Check post Collection	Receipt	10,63,559
2	Suguna foods MF	Receipt	2,63,808
3	APSCSCL (Civil Supplies)	Receipt	35,00,000
4	Diversion of AMC funds through CFMS bill	Expenditure	11,04,400
5	25% CMF	Expenditure	44,49,886
6	Pension Contribution	Expenditure	10,25,199
7	Repayment of loan to AMC, Ichapuram	Expenditure (64,99,956 - 41,39,956)	23,60,000
8	e-farmarketing revolving fund	Expenditure	7,00,186
9	Irregular withdrawals	Expenditure	31,01,390
Total:			**1,75,68,428**

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Imputation to the Charge-I:-

Rs.10,63,559/- MF collected at Check Post Chilakapalem and trader MF – Not remitted to AMC, Etcherla funds :-

It is noticed that an amount of Rs.61,10,188/- was collected towards market fee from the vehicles on movement of notified Agricultural commodities at Check Post Chilakapalem during the year 2020-21. In which, only an amount of Rs.50,46,559/- was remitted to the committee funds and remaining balance of Rs.10,63,559/- was not remitted to the funds.

(Amount in Rs.)

Year	Check post Name	MF Collected	Remitted	Not remitted
2020-21	Chilakapalem	61,10,118/-	50,46,559/-	**10,63,559/-**

Even challans remitted by other AMCs in the State during pandemic Covid-19, Sri S.Chinni Krishna, Secretary(U/s), AMC, Etcherla has not remitted the Market fee collections from the check-posts showing the cause as COVID-19 but, he has remitted those amounts to AMC current account and done financial irregularities from current account.

As a result, he has done irregularity by issuing cheques bearing No.303730 & 303731 for Rs.6,42,260/- & Rs.4,21,299/- respectively and generated CFMS challan IDs. 40063232572020 40063282772020 for remittance of total amount of Rs.10,63,559/- to the AMC, Etcherla funds.

On verification of the concerned CFMS IDs in challan status login, it is found that both the above two challans were not remitted. Simply he generated CFMS challan IDs and written the cashbook with that IDs. The same CFMS challan IDs not displayed in the CFMS PD account statement.

Imputation to the Charge-II:-

Rs.2,63,808/- Market fee received from Trader Suguna Foods Private Limited - not remitted to PD account :-

It is noticed that the following amounts have received to the office current account bearing No. 33056881669 of the AMC Etcherla towards payment of market fee from the trader, Suguna Foods Private Limited for the months as mentioned hereunder:

(Amount in Rs.)

Month	MF	Total amount	Online transfer to AMC C/A
April,2020	83028.00	83028.00	09.06.2020
June,2020	39994.00	131506.00	11.09.2020
July,2020	91512.00		
March,2020	34583.00	49274.00	28.09.2020
May,2020	14691.00		
Total:		**263808.00**	

The said amount of Rs.2,63,808/- was not remitted to the Committee funds from Office current account.

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S. No.	Particulars	Amount in Rs.
1.	Check post MF collected and not remitted	10,63,559/-
2.	Trader MF diverted	2,63,808/-
Total:		**13,27,367/-**

The Secretary, Sri S.Chinni Krishna transferred the above check post collection along with trader market fee collection to a tune of Rs.13,00,000/- to his personal account bearing No.31250506509 on 16/10/2020 and the balance of amount of Rs.27,367/- was transferred to his account along with amount of Pension Contribution.

Imputation to the Charge-III:-

Market Fee from APSCSCL – Not remitted to the AMC funds – Rs.35,00,000/-:-

APSCSCL has paid the market fee to the AMCs on paddy procurement during KMS & RMS from the farmers directly by establishing paddy procurement centers every year. APSCSCL has transferred the following amounts to the current account bearing No.33056881669 of AMC Etcherla as per allocation given by the ADM/DATMO Srikakulam towards payment of market fee.

MISAPPROPRIATION OF MARKET FEE RECEIVED FROM APSCSCL (CIVIL SUPPLIES) DURING THE YEAR 2020-21 & 2022-23

(Amount in Rs.)

MF received from APSCSCL to the current account no.33056881669		Remitted to the AMC Etcherla funds			Balance amount not remitted to AMC funds	Diverted to accounts			
Date	Amount	Date	Challan No.	Amount		Date	Sri S.Chinni Krishna (31250506509)	Sri K.Rama Rao (20212439787)	Total
02.02.2021	4558000	04.02.2021	41363254102020	3058000	1500000	**04.02.2021**	**1500000**	**0**	**1500000**
18.03.2023	4203908	21.03.2023	61426334922022	2203908	2000000	**20.03.2023**	**1500000**	**500000**	**2000000**
Total	**8761908**			**5261908**	**3500000**		**3000000**	**500000**	**3500000**

The received amount of Rs.45,58,000/- during the year 2020-21 from APSCSCL was not remitted to the committee funds. Out of which, an amount of Rs.30,58,000/- was remitted vide Challan No.41363254102020 & adjusted to the committee funds on 04/02/2021 and remaining balance amount of Rs.15,00,000/- was diverted to his personal account bearing No.31250506509 of Sri S. Chinni Krishna, the then Secretary of the AMC Etcherla.

An amount of Rs.42,03,908/- was received to the Office current account of the AMC Etcherla from APSCSCL on 18/03/2023. Out of which, the then Secretary, Sri S.Chinnikrishna has diverted an amount of Rs.15,00,000/- again on 20-03-2023 to his personal account bearing

(Contind...13)

No.31250506509 and also diverted the amount of Rs.5,00,000/- to the account No.20212439787 of Sri K.Ramarao, Supervisor of the AMC Etcherla on 20/03/2023. The remaining balance amount of Rs.22,03,908/- was remitted to the Committee funds vide challan No:61426334922022 on 21/03/2023.

The total amount of Rs.35,00,000/- was intentionally misappropriated by Sri S. Chinni Krishna, in the capacity of the Secretary, AMC Etcherla without remitting to the AMC Funds.

Imputation to the Charge-IV:-

Rs.11,04,400/- misappropriated by way of diversion to SB account of Sri K.Rama Rao, Supervisor (u/s) and Sri M.Vallabharao:-

The Secretary, Sri S. Chinni Krishna (U/s) diverted the AMC Etcherla funds through CFMS bill No.2021-462925 dated:03.05.2021 for Rs.11,57,693/-. Out of which, Rs.10,77,535/- diverted to CFMS current account bearing No. 35097546479 on 03.05.2021. Further, he has diverted an amount of Rs.13,70,000/- to AMC Etcherla current account No. 33056881669 with the available balance on 07.05.2021. From this current account, he transferred Rs.10,00,000/- to Sri K.Ramarao on 07/05/2021 and Rs.2,50,000/- transferred to his personal account of Sri S.Chinni Krishna bearing No.31250506509 on the date 07/05/2021 (this amount is discussed in the Para No.10 under Misappropriation of Pension Contribution).

Further, an amount of Rs.1,04,400/- was transferred vide CFMS Bill No.2023-916939 on 03/07/2023 to Sri M. Vallabharao, who is working in the AMC Ichapuram on Outsourcing basis.

S.No.	Date	Diverted to	Amount in Rs.
1.	07.05.2021	Sri K.Rama Rao, Supervisor (u/s) SBI A/c.No.20212439787	10,00,000/-
2.	03.07.2023	Sri M.Vallabharao, OS SBI A/c.No. 38163542935	1,04,400/-
Total:			**11,04,400/-**

Imputation to the Charge-V:-

25% of CMF amount diverted - Rs.19,06,210/- + Rs.25,43,676/- = Rs.44,49,886/- :-

As per the instructions of the Commissioner & Director of Agricultural Marketing, AP, Guntur vide Memo No. F-I(1) CFMS/PD Accounts/2019 dated.26.08.2019, the 25% CMF contributions should be remitted by PD account to PD account transfer (PD account book adjustment). However, the individual has transferred 25% CMF contribution to current account and then diverted to his personal account.

He has drawn an amount of Rs.19,06,210/- towards 25% CMF and Rs. 5,00,682/- towards staff salaries, miscellaneous etc. from the AMC Funds vide Bill No.2021-2048020 for Rs.24,06,892/- on 02/12/2021. From the above Bill, an amount of Rs.23,01,199/- was adjusted to the current account No.35097546479 on 02/12/2021 and the same amount of Rs.23,01,199/- was transferred to office current account No.33056881669 on 03/12/2021.

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On the same date, Demand Draft for Rs.19,06,210/- was taken from the current account and cancelled the Demand Draft on 10/12/2021 & the amount of cancelled Demand Draft was credited into the current account of the AMC Etcherla and diverted as follows:

Sri S.Chinni Krishna, Secretary (U/s), transferred the amount of Rs.19,02,100/- to his personal account No. 31250506509 in two spells i.e., Rs.50,000/- on 10/12/2021 & Rs.18,52,100/- on 20/12/2021.

Another amount of Rs.25,43,676/- was drawn from the AMC Funds towards payment of 1st & 3rd quarter 25% CMF for 2021-22 vide Bill No.2022-1247653 dated:26.08.2022 for Rs.30,16,681/- including staff salaries, other expenditures. An amount of Rs.29,19,261/- was adjusted into CFMS account on 01/09/2022 and an amount of Rs.29,27,830/- was transferred to the office current account on 03/09/2022. Further, Rs.25,43,676/- worth of Demand Draft was taken from office current account on 03/09/2022 & cancelled the Demand Draft, the amount of Demand Draft was credited to the office current account on 12/09/2022 and diverted as follows:-

The Secretary (U/s), Sri S. Chinni krishna transferred the amount of Rs.25,40,000/- to his personal account bearing No. 31250506509 on 14/09/2022.

(Amount in Rs.)

25% CMF adjusted in Office current A/c after cancellation of DDs (A/c No: 33056881669)		Diverted the amount of 25% CMF to the personal account No: 31250506509 of Sri S. ChinniKrishna from Current A/c		
Date	Amount	Date	Account	Amount
03/12/2021	1906210-00	10/12/2021	Sri S.Chinni Krishna	50000-00
		20/12/2021	Sri S.Chnni Krishna	1852100-00
12/09/2022	2543676-00	14/09/2022	Sri S.Chinni Krishna	2540000-00
TOTAL:	**4449886-00**	**Total:**		**4442100-00**

<u>Imputation to the Charge-VI:-</u>

Pension Contribution drawn and not remitted - Rs.10,25,199/- (Rs.5,99,873/- + Rs.4,25,326/- = Rs. 10,25,199/-):-

a. An amount of Rs.5,99,873/- was drawn from the AMC Funds vide Bill No:2020-1524803 Dated 31.10.2020 and the same amount was transferred to the office current account on 30/11/2020 and Sri S.Chinnikrishna, Secretary (U/s) transferred the amount of Rs.5,99,873/- from office current account to his personal account bearing No. 31250506509 on 30/11/2020.

b. Sri S.Chinni Krishna, Secretary (U/s), AMC, Etcherla placed two bills in CFMS for the same amount of Rs.4,25,326/- with different dates, one for salaries and another for pension contribution as noted in the office cashbook. These two bills have shown as salary bills. Hence, one bill amount of Rs.4,25,236/- is misappropriated.

(Contind...15)

(Amount in Rs.)

Sl. No.	Name	CFMS Bill No. 2020-2251836 dated: 01.02.2021	CFMS Bill No. 2020-2269164 dated: 23.02.2021
1.	Sri S.Chinnikrishna	63,839/-	63,839/-
2.	Sri K.Ramarao	76,890/-	76,890/-
3.	Sri MuraliKrishna	54,947/-	54,947/-
4.	Current Account	2,29,560/-	2,29,560/-
Total:		**4,25,236/-**	**4,25,236/-**

In addition to the amounts adjusted in the individual accounts vide Bill No.2020-2269164 on 01/03/2021, an amount of Rs.2,29,560/- adjusted in the CFMS current account was transferred to the office Current Account along with available balance in CFMS current account on 07/05/2021. Subsequently, Sri S.Chinni Krishna, SecretaryU/s) transferred the amount of Rs.2,50,000/- to his personal account on 07/05/2021.

Diversion of Pension Contribution to the individual accounts

(Amount in Rs.)

S.No	Name of the account holder	30/11/2020	01/03/2021	07/05/2021	Total
1.	Sri S.Chinnikrishna	599873	63839	250000	**913712**
2.	Sri K.RamaRao	0	76890	0	**76890**
3.	Sri MuraliKrishna	0	54947	0	**54947**
	TOTAL:	**599873**	**195676**	**250000**	**1045549**

Imputation to the Charge-VII:-

Rs.64,99,956/- - Repayment of loan to the AMC Ichapuram – Drawn from AMC Etcherla funds – Not remitted to AMC Ichapuram Funds:-

(i) As per the existing procedure, repayment of loans from one AMC to another AMC should be done by PD account to PD account transfer (PD account Book adjustment). The other way, AMC, Etcherla has option to repay the loan amount directly by challan. But the Secretary (u/s), Sri S. Chinni Krishna willfully transferred the amount of Rs.64,99,956/- from AMC Etcherla PD account to AMC current account of Ichapuram, from there without remitting to AMC funds, he misappropriated the funds of Rs. 64,99,956/- as detailed below:

(ii) An amount of Rs.23,60,000/- was drawn from the AMC funds towards repayment of loan payable to the AMC Ichapuram. By adding the staff salaries & other expenditures, he has drawn Rs.26,39,697/- vide CFMS Bill No.2021-1347397 on 02/09/2021. From this Bill, an amount of Rs.24,87,307/- was adjusted in the CFMS account No: 35097546479 on 03.09.2021 and the same amount transferred to the office current account bearing No.33056881669 on 03.09.2021. In which, Demand draft for Rs.23,60,000/- was taken from office current account on 04/09/2021 & again cancelled the DD on 07/09/2021, the amount of cancelled DD was credited into office current account of the AMC Etcherla and misappropriated as detailed below. The copies of the letters which were addressed to the SBI, cancellation of DD, the copy of the cheque bearing no:641231 dated:03-08-2021 for

(P.T.O...16)

Rs.23,57,471/-, and the copies of the cancelled DD, and counterfoil bearing no.129237 dated:04.09.2021 for Rs.23,60,000/- and the credit voucher for Rs.23,60,000/- for depositing cancelled DD to current account No. 33056881669 dated.07.09.2021.

(iii) (a) On 07/09/2021, the Secretary (u/s), Sri S. Chinni krishna has transferred the amount of Rs.5,70,000/- to the account No.11639460213 of Smt. K.Laxmi, AMC, Pensioner from AMC, Etcherla current account through cheque No:641237.

(b) & (c) Another amount of Rs.6,00,000/- transferred to his personal account bearing No.31250506509 on 08/09/2021 through Cheque No:641238 and again transferred an amount of Rs.74971/- to his personal account on 15/09/2021. Further, he made payment of Rs.50000/- to the account of CBDT and details connecting to the payment not made available.

c. Sri S. Chinni Krishna, Secretary (u/s), AMC, Etcherla has diverted an amount of Rs.10,62,500/- for clearing his personal outstanding dues HBA and Car Advance which was taken from AMC, Palasa duly issuing AMC, Etcherla cheque No.641239 dated:14.09.2021 for Rs.10,62,500/- taken DD in favour of Secretary, AMC, Palasa and the same was remitted to AMC, Palasa funds vide challan No.51201744312021dated.20.09.2021 for Rs.10,62,500/-. The copies of current account cheque and DD form obtained from the bank and the challan copy obtained from AMC, Palasa.

Para No.	Date	Person Name	Designation	Transfer/cash	Amount in Rs.
11(iii)(a)	07.09.2021	Smt K. Lakshmi	AMC,Pensioner	transfer	5,70,000/-
11(iii)(b)	08.09.2021	S.Chinni Krishna	Secretary	transfer	6,00,000/-
	15.09.2021	S.Chinni Krishna	Secretary	Transfer	74971/-
	20.09.2021	Made payment to CBDT a/c		transfer	50000/-
11(iii)(c)	14.09.2021	S.Chinni Krishna diverted and Credited for repayment of his personal loan recoveries HBA and MCA		transfer	10,62,500/-
Total:					**23,57,471/-**

Therefore, an amount of Rs.64,97,427/- was drawn from the AMC Etcherla funds towards repayment of loan payable to AMC Ichapuram and the same was not remitted to the AMC Ichapuram funds by Sri S.Chinni Krishna, Secretary duly misappropriating the AMC Etcherla funds.

Imputation to the Charge-VIII:-

Rs.7,00,186/- drawn towards e-Farmarketing revolving fund & Others – Diverted to personal account:-

An amount of Rs.7,00,186/- was drawn towards e-farmarketing

(Contind...17)

revolving fund vide CFMS Bill No.2022-1745043 dated:09.11.2022, adjusted in CFMS account on 11.11.2022. An amount of Rs.7,00,000/- was transferred to Agricultural Market Committee, Etcherla current account on 16.11.2022. In which, the then Secretary, Sri S. Chinnikrishna has transferred the amount of Rs.5,00,000/- to his personal account No.31250506509 through cheque No. 887277 on dated:16.11.2022 and issued cash cheque No. 887278 dated:16.11.2022 for Rs.2,00,000/- to G. Umamaheswara Rao, Security Guard of AMC, Etcherla and cashed on 16.11.2022.

Imputation to the Charge-IX:-

Rs. 31,01,390/- Expenditure incurred by cash withdrawals / transfer to different accounts :-

An amount of Rs.31,01,390/- was drawn from the Committee Funds in the different CFMS Bills, and then transferred to office current account. From there, he transferred different amounts to different accounts including personal account, cash withdrawals. Since Cheque issue register not maintained in the office, the details of expenditure made unknown. In the absence of details regarding expenditure at AMC Etcherla, the aforesaid expenditure classified under misappropriation.

Imputation to the Charge-X:-

Sri S. Chinni Krishna, Secretary have not obtained pre-approval of the Chairman in note files as well as final approval of the Market Committee. He has not taken the ratification of expenditure of the Committee. He has not maintained the meeting minutes etc. properly.

Most of the entries and totals have done with pencil. The main cash book not reconciled with the CFMS pdf statement. More variations identified between main cash book to CFMS pdf statement. Vouchers are not maintained properly and most of the related vouchers are not submitted for verification and vendor codes not mentioned on contingent bills by vouchers. Huge amounts transferred to AMC, Etcherla Zero balance account and funds diverted to different personal accounts.

During verification, it is found that Office Cash books and Cheque book, abstract registers and all other financial related files and registers not maintained properly.

Sri S.Chinni Krishna, Secretary, AMC, Etcherla has not followed the rules while sanctioning HBA and Motor Car Advance to AMC staff. He sanctioned HBA and Car Advance to the staff of the AMC, Etcherla without obtaining approval of the market committee.

Further, during the verification of records, CFMS Bills and Bank statements and available records of the AMC Etcherla. As per the available record produced by the AMC, the misappropriated amount by Sri S.Chinni Krishna, Secretary, AMC, Etcherla (u/s) arrived to a tune of 1,75,68,428/- as shown below:-

(P.T.O..18)

S.No.	Particulars	Amount(in Rs.)
1.	Chilakapalem Check-post	10,63,559/-
2.	MF from Suguna foods Private Limited diverted	2,63,808/-
3.	Civil Supplies MF diverted	35,00,000/-
4.	Diversion from AMC funds through CFMS bill	11,04,400/-
5.	25% CMF diverted	44,49,886/-
6.	Pension Contribution diverted	10,25,199/-
7.	Loan repayment to AMC, Itchapuram diverted (64,99,956 – 41,39,956)	23,60,000/-
8.	e-farmarketing revolving fund diverted	7,00,186/-
9.	Irregular drawals	31,01,390/-
	Total:	**1,75,68,428/-**

Year wise misappropriation of AMC, Etcherla funds

The total misappropriation amount was arrived before verification of records is Rs.2,17,08,384/-. But, as per the verification report, it was found that an amount of Rs.41,39,956/- out of which an amount of Rs.64,99,956/- pertains to repayment of loan of AMC Itchapuram has been transferred to Itchapuram Current Account. Hence, the total misappropriation of AMC Etcherla Funds is Rs.1,75,68,428/- (i.e., Rs.2,17,08,384 – Rs.41,39,956=Rs.1,75,68,428).

In view of the above and basing on the Verification Report, it is clearly shown that Sri S. Chinni Krishna, Secretary Grade-II and the then Selection Grade Secretary (FAC), AMC, Itchapuram has not followed the Financial Rules and no proper observation on expenditure. No proper observation of Financial Rules and codes on drawls, remittances. He was failed to safe guard the AMC, Etcherla Funds.

By the above acts, he has failed to maintain absolute integrity, devotion to duty and conduct unbecoming of the public servant and contravened Rule 3 of A.P.C.S. (Conduct) Rules, 1964, violated the Rule 31, 97, 98, 99 & 100 of A.P.(AP&LS) Markets Rules, 1969 and Financial Rules. Hence, the Charges.

CHIRANJIV CHOUDHARY, IFS,
PRINCIPAL SECRETARY TO GOVERNMENT

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ANNEXURE - III

LIST OF DOCUMENTS ON THE BASIS OF WHICH THE ARTICLE OF CHARGES FRAMED AGAINST SRI S. CHINNI KRISHNA, THE THEN SECRETARY GRADE-III, AGRICULTURAL MARKET COMMITTEE, ETCHERLA AND SECRETARY GRADE-II (U/S), AGRICULTURAL MARKET COMMITTEE, ITCHAPURAM

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Roc. No. 102/A/2023, dated:11.10.2023 of the Regional Joint Director of Marketing, Visakhapatnam along with Verification Report of Team Members submitted by the Team Leader i.e., Regional Deputy Director of Marketing, Visakhapatnam in Letter Rc. No. 15/DDM/VSP/2023, dated:09.10.2023.

ANNEXURE – IV

LIST OF WITNESS BY WHOM BY THE ARTICLE OF CHARGES FRAMED AGAINST SRI S. CHINNI KRISHNA, THE THEN SECRETARY GRADE-III, AGRICULTURAL MARKET COMMITTEE, ETCHERLA AND SECRETARY GRADE-II (U/S), AGRICULTURAL MARKET COMMITTEE, ITCHAPURAM ARE PROPOSED TO BE SUSTAINED.

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1. The Regional Joint Director of Marketing, Visakhapatnam.
2. Team Members of Verification Report:

   i. Sri S. Erranna, Regional Deputy Director of Marketing, Visakhapatnam (Team Leader)
   ii. Sri P. Vasudeva Rao, Selection Grade Secretary, AMC, Ramachandrapuram.
   iii. Sri V.V.B.A. Ganapathi, Senior Assistant, AMC, Anakapalli.
   iv. Sri N. Govinda Rao, Supervisor, AMC, Etcherla.

CHIRANJIV CHOUDHARY, IFS,
PRINCIPAL SECRETARY TO GOVERNMENT